

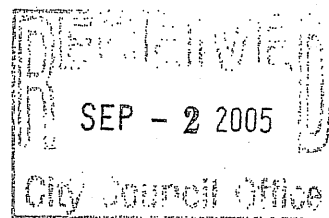
1-9- B. Paternoster
Trendl (9-6-05)

Dr. Nahum Guzik
ARQ Investments, LP
700 E. El Camino Real
Suite 300
Mt. View, CA 94040
(650) 940-9004

Thomas Sweeney
KB Home South Bay Inc.
6700 Koll Center Parkway
Suite 200
Pleasanton, CA 94566
(925) 750-1783

9.2.05

Re: 690 E. Arques Ave.



Honorable Mayor Dean Chu and Members of the City Council,
City of Sunnyvale
456 West Olive Ave.
Sunnyvale, CA 94086

Dear Mayor Chu and Members of the Council,

ARQ Investments, LP (Owner) and KB Home South Bay Inc. (Applicant) respectfully request that the Sunnyvale City Council initiate a General Plan change from MS to MS-ITR on the above referenced site on you earliest available agenda. KB Home will provide such conceptual plans and site studies upon direction from the Community Development Department Staff.

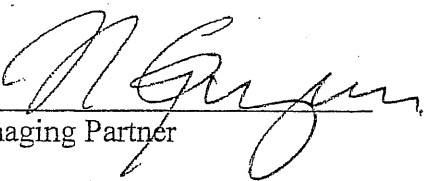
Neighboring residential development and central location make this an ideal opportunity to increase home ownership opportunities in Sunnyvale. KB looks forward to working with staff to develop a project that complements nearby homes and strengthens a sense of community in the Fair Oaks - Arques neighborhood.

Please use KB Home as the primary contact for this project.

Respectfully Submitted,

ARQ Investments, LP

KB Home South Bay Inc.

By: 
Managing Partner

By:  9.2.05
Director, High Density Land Acquisition